

## **CORRECTED COPY**

**Department of Veterans Affairs  
Veterans Health Administration  
Washington, DC 20420**

**VHA DIRECTIVE 98-009**

**February 4, 1998**

### **REQUEST FOR PROPOSALS FOR NEW PROGRAM INITIATIVES**

**1. PURPOSE:** This Veterans Health Administration (VHA) Directive announces the process for various entities of the Department of Veterans Affairs (VA) to compete for startup funding for new program initiatives.

**2. POLICY:** It is VHA policy that there will be a semi-annual request for proposals (REP) for funding new initiatives. Funds will be provided for a period of 1 year or a pilot period. Up to \$10 million will be set aside annually from the National Reserve Fund; with up to \$5 million available for each semi-annual call.

### **3. ACTION**

#### **a. General Requirements**

(1) Proposals are not limited in terms of point of origin. They may originate at any level or location within VHA. Although VHA Headquarters entities may submit proposals, there must be an agreement with a specific Veterans Integrated Services Network (VISN) to pilot test the proposal.

(2) Prior to Policy Board consideration, proposals need to generally advance through existing approval processes within networks and VHA Headquarters.

(3) Program proposals are to be coordinated among parties with significant programmatic or implementation interests, including the Program Officer, Network Director(s), and other appropriate parties.

(4) Proposals need to reflect programs and/or initiatives of national interest.

(5) Each proposal needs to have a clear linkage with one or more elements of VHA's strategic goals as embodied in Prescription for Change or other statements of strategic objectives and/or goals.

(6) There needs to be an explicit relationship of the proposal to performance measures or specific validated practice guidelines.

(7) The proposal needs to be consonant with Network business plans or VHA strategic goals and/or objectives.

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(8) There needs to be some evidence that proposals represent a cost-effective way to deliver or manage care and contribute to improving the quality of care provided.

(9) Generally, matching funds need to be provided by VISNs implementing the initiative.

(10) Proposals need to specify the period of time needed to pilot the concept and include a sunset provision. Approval of the proposal guarantees funding for only 1 year.

(11) Recipients of funds are responsible for disseminating outcomes of the project including assisting others to set up similar programs (if successful) or dismantling it (if not achieving goals).

b. **Application Requirements.** Applications are to meet the following requirements.

(1) **Administrative Content.** Applications need to contain the following information in numbered order and are to be no more than 10 pages in length, excluding VA Form 10-0373, New Program Proposal.

(a) Description of proposed initiative.

(b) Proposed pilot sites.

(c) Proposed duration of pilot test.

(d) If the proposal requires funding for more than 1 year, it needs to include a justification for continuation and a statement of how it will be managed without out-year funding.

(e) Minimal program size in terms of funding, Full-time Employee (FTE) and workload required.

(f) Economy of scale considerations.

(g) Proposed program performance and/or evaluation measures and minimum performance requirements to justify continuation of the program.

(h) Quality measures with associated performance requirements

(i) Linkage with specific objective and/or action numbers in VHA strategic objectives.

(j) Relationship of proposal to specified existing national or network performance measures

(k) Relationship of proposal to specific validated practice guidelines, if applicable or appropriate.

(l) Relationship of proposal to VHA or Network business plans.

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(m) Indication of which offices have been involved in reviewing and developing the proposal and which offices are in support or not in support of the proposal.

(2) **Technical Content.** For instructions on filling out VA Form 10-0373 see Attachment A, page 2. Information not requested on this form (such as estimation procedures for workload, FTE, and costs as well as the rationale for shifts in resources) should be provided on separate pages. Provide the following information on VA Form 10-0373.

(a) Workloads (local VA medical center, VISN, and national, if applicable). To include:

1. Appropriate workload measures,
2. Workload estimation procedure,
3. Workload projection by year, and
4. Workloads shifted from overlapping programs with rationale for shift.

(b) FTE (local VA medical center, VISN, and national, if applicable). To include:

1. FTE estimation procedure,
2. FTE requirements by type of employee by year, and
3. FTE shifted from overlapping programs by type of employee by year with rationale for shift.

(c) Costs (local VA medical center, VISN, and national, if applicable). To include:

1. Cost estimation procedure,
2. Net funding requirements by year, including years beyond the initial year,
3. Funding that can be shifted from overlapping programs by year, and
4. Cost savings and/or avoidance.

(3) **Signatures.** Field-based proposals should be approved and signed by VISN Directors. VHA Headquarters-based proposals should be approved and signed by the appropriate Chief Officer. There must also be evidence of coordination among involved parties.

(4) **Due Date.** Applications must be submitted by January 1 and July 1 of each year. (Award dates are April 1 for January submission and October 1 for July submission.

***NOTE:** For the first 1998 submission, proposals will be accepted through April 10, 1998. The award date for the first 1998 cycle will be June 1, for the April submission.*

(5) **Submission.** Applications are to be submitted to:

Chief, Research and Development Officer (12)  
Department of Veterans Affairs  
810 Vermont Avenue, NW  
Washington, DC 20420

e. **Proposal Review Process**

(1) A committee consisting of representatives of permanent members and selected others appropriate for evaluating specific proposals will review applications. The permanent members named by the Deputy Under Secretary will be from the following:

- (a) Office of Deputy Under Secretary for Health,
- (b) Office of Patient Care Services,
- (c) Office of Research and Development,
- (d) Office of Finance,
- (e) Office of Policy, Planning and Performance, and
- (f) Two representatives from the Office of the Network Director.

***NOTE:** The Chief, Research and Development Officer will chair the review committee.*

(2) Applications will be evaluated and prioritized by this committee based upon a weighting scheme developed by the proposal review committee to measure the anticipated universal applicability, effectiveness, and relative cost efficiency of the proposals. The weighing scheme will be included in RFP. Prioritized applications will then be forwarded to the Policy Board, which will make recommendations for approval and funding. Final approval will be given by the Under Secretary for Health.

(3) Applicants will be notified of the results within 2 months of the submission dates.

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**4. REFERENCES:** None.

**5. RESPONSIBILITY:** The Office of Policy and Planning (105) and The Office of Research and Development (12) are responsible for the contents of this directive. Questions may be addressed to the Deputy Chief Research and Development Officer at (202) 273-8284.

**6. RESCISSIONS:** This VHA Directive expires February 4, 2003.

S/ by Melinda Murphy for  
Kenneth W. Kizer, M.D., M.P.H.  
Under Secretary for Health


Attachment

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## ATTACHMENT A

 <b>DEPARTMENT OF VETERANS AFFAIRS</b>		<b>NEW PROGRAM PROPOSAL</b>			
<b>Shorthand Name for Proposal</b>					
<b>Proposed by VISN Number</b>		<b>Proposed Site</b>			
<b>Contact Person</b>			<b>Contact Telephone Number</b>		
<b>Workload Data (Only for Duration of Request)</b>					
<b>Workload Measures:</b>	<b>FY1998</b>	<b>FY1999</b>	<b>FY2000</b>	<b>FY2001</b>	<b>FY2002</b>
Staff Visits					
Fee Visits					
Beds					
ADC					
Patients Treated					
Unique Users					
Other Measures (specify)					
Other Measures (specify)					
<b>Accompanying Workload Reductions in Other Programs (specify)</b>					
Staff Visits					
Fee Visits					
Beds					
ADC					
Patients Treated					
Unique Users					
Other Measures Shifted (specify)					
Other Measures Shifted (specify)					
<b>FTE Data (Only for Duration of Request)</b>					
<b>FTE by Type:</b>	<b>FY1998</b>	<b>FY1999</b>	<b>FY2000</b>	<b>FY2001</b>	<b>FY2002</b>
Physician					
Nurse					
Other Professional					
Clerical					
Other (specify type)					
<b>Accompanying FTE Reductions in Other Programs (specify)</b>					
Physician					
Nurse					
Other Professional					
Clerical					
Other (specify type)					
<b>Cost Data (Only for Duration of Request)</b>					
<b>Costs:</b>	<b>FY1998</b>	<b>FY1999</b>	<b>FY2000</b>	<b>FY2001</b>	<b>FY2002</b>
Net Funding Request					
Cost Savings in Other Programs (specify)					

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## INSTRUCTIONS FOR COMPLETING VA FORM 10-0373, NEW PROGRAM PROPOSAL

### A. GENERAL NOTES:

1. Data are only required for the fiscal years for which funding is requested.
2. Data fields that do not pertain to a proposal may be left blank.
3. Explanatory information that will not fit on VA Form 10-0373 should be included on a separate sheet.

### B. NOTES BY DATA FIELD:

1. **Proposed Site:** There should be one VA Form 10-0373 for each proposed site. If there is more than one site per proposal, there should also be a form for the VISN total. If appropriate, a form for the national total should also be included.
2. **Contact Person:** The name of someone to contact for more information regarding the proposal.
3. **Workload Measures:** This refers to the total size of the program, including both new workload and workload shifted from other programs. The latter statistics are also separately requested below this section of the VA Form 10-0373.
4. **Other Measures:** If the indicated workload measures are insufficient to adequately portray the program, please provide more meaningful measures and definitions.
5. **Accompanying Workload Reductions in Other Programs:** Specify the programs from which workload is shifted to the proposed program.
6. **FTE by Type:** This refers to the total FTE requirements of the proposal, including both new staff and staff shifted from existing programs. The latter statistics are also separately requested below this section of the VA Form 10-0373.
7. **Accompanying FTE Reductions in Other Programs:** Specify the programs from which FTE are shifted to the proposed program.
8. **Net Funding Request:** The net new funds required for the proposal.
9. **Cost Savings in Other Programs:** Funds which are to be shifted from existing programs to the program proposed.

VA FORM  
JAN 1998 **10-0373**

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